

BUDGET LETTER

SUBJECT: PUBLIC SAFETY POWER SHUTOFF COST REPORTING	NUMBER: 19-32
	DATE ISSUED: October 30, 2019
REFERENCES:	SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget and Accounting Officers
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

This BL informs departments of required Public Safety Power Shutoff-related cost reporting on a monthly basis until notified of an end date.

Deadlines and Deliverables

Beginning November 5, 2019, and by the 5th of each subsequent month

Departments are to report total estimated costs for Public Safety Power Shutoffs through their Agency. Each Agency will submit a consolidated spreadsheet to their Finance Budget Analyst. Departments that do not report directly to an Agency shall submit a spreadsheet to their Finance Budget Analyst.

Background

Investor-owned utilities (IOUs) have significantly increased the use of Public Safety Power Shutoffs (PSPS) on their energized power lines to prevent wildfires during high wind or other severe weather events. As a result, affected areas may be without power for several hours, days, or in some cases, more than a week. Many state entities have been called on to help mitigate the impacts and address the consequences of utility-initiated PSPS events, including protecting public safety, supporting vulnerable populations and individuals, and safeguarding the continuity of government and commerce.

Cost Reporting

Many departments and Agencies have assisted in PSPS-related activities, which may result in costs that cannot be absorbed within existing budgets. In an effort to track overall state costs, and to make informed financial decisions, the Department of Finance is requesting that all departments provide monthly cost estimates associated with Public Safety Power Shutoff activities.

Attachment I provides the format for the monthly reporting by Agency, which shall commence **November 5, 2019**, and continue by the **5th of each subsequent month** until further notice. Although this is relatively high-level reporting, more detailed backup and substantiation should be maintained for potential reporting to the Office of Emergency Services or your Finance Budget Analyst upon request.

Additional points of clarification:

- This financial reporting does not take the place of State Operations Center reporting that each department may already provide to the Office of Emergency Services.
- The reporting of costs is not a guarantee of funding and Agencies are encouraged to work closely with their Finance Budget Analyst for any PSPS-related funding needs or questions.
- Each month should be an estimate of total costs, not an incremental change to the prior month or specific costs for just the month of the report.
- Although Attachment I includes a field titled "Absorbable Y/N?" the goal of the reporting is to capture extraordinary costs beyond current budgeted levels. For example, while staff may be spending significant time coordinating or responding to PSPS needs, their normal work hours or salaries would generally be assumed to be absorbable. However, extraordinary levels of overtime that cannot be absorbed within existing resources may fit the criteria for potential additional funding. Additionally, departments may be required to enter into new contracts for goods or services that cannot be absorbed within existing resources.
- All costs should be reported in a consolidated spreadsheet by each Agency, and should be attributed to the department/agency that will ultimately incur the additional cost. For departments that do not report to an Agency, a spreadsheet should be submitted directly to your respective Finance Budget Analyst.

If you have questions regarding this BL, please contact your assigned Finance Budget Analyst.

/s/ Matt Almy

Matt Almy
Program Budget Manager

Attachment